



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 5

77 WEST JACKSON BOULEVARD

CHICAGO, IL 60604-3590

SEP 28 2010

REPLY TO THE ATTENTION OF:
AE-17J

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Lee Nadler
President
Lakeside Lithography, LLC
Chicago, Illinois 60608

Dear Mr. Nadler:

Enclosed is a file stamped Consent Agreement and Final Order (CAFO) which resolves Lakeside Lithography, LLC. CAA Docket No. CAA-05-2010-0070. As indicated by the filing stamp on its first page, we filed the CAFO with the Regional Hearing Clerk on

SEP 30 2010

Pursuant to paragraph 42 of the CAFO, Lakeside Lithography, LLC must pay the \$4,123 civil penalty within 30 days of the date the CAFO was filed, November 1, 2010. The check must display the case docket number, CAA-05-2010-0070, and the billing document number, 2751003A069.

Please direct any questions regarding this case to Luis Oviedo, Associate Regional Counsel, (312) 353-9538.

Sincerely,

Brent Marable
Chief

Air Enforcement and Compliance Assurance IL/IN

Enclosure

cc: Ray Pilapil, Manager
Compliance and Enforcement Section
Illinois Environmental Protection

**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5**

In the Matter of:)	EPA-5-10-113(a)-IL-02
)	
Lakeside Lithography, LLC)	Proceeding Under Sections
1600 South Laflin Street)	113(a)(1) and 114(a)(1)
Chicago, Illinois)	of the Clean Air Act
)	42 U.S.C. §§ 7413(a)(3) and 7414(a)(1)
)	
)	

Administrative Consent Order

1. The Director of the Air and Radiation Division (Director), U.S. Environmental Protection Agency, Region 5 (U.S. EPA), is entering into this Administrative Consent Order ("Order") with Lakeside Lithography, LLC, (Lakeside), 1600 South Laflin Street, Chicago, Illinois, under Sections 113(a)(1) and 114(a)(1) of the Clean Air Act ("Act"), 42 U.S.C. §§ 7413(a)(3), 7414(a)(1).

I. Statutory and Regulatory Background

2. Section 113(3)(B) of the Act, 42 U.S.C. § 7413(3)(B), authorizes the Administrator of EPA (Administrator) to issue an order requiring compliance with Title V of the Act to any person who has violated or is violating any requirement of Title V. The Administrator has delegated her order authority to the Regional Administrator of EPA, Region 5 (Regional Administrator), pursuant to EPA Headquarters Delegation of Authority, Chapter 7-6-A. The Regional Administrator of EPA, Region V, has delegated her order authority to the Director pursuant to EPA Region 5 Delegation of Authority, Chapter 7-6-A.

3. The Administrator of EPA may require any person who owns or operates an emission source to make reports and provide information required by the Administrator under Section 114(a)(1) of the Act, 42 U.S.C. § 7414(a)(1). The Administrator of EPA has delegated her information gathering authority to the Regional Administrator of EPA, Region V, pursuant to EPA Headquarters Delegation of Authority, Chapter 7-8. The Regional Administrator of EPA, Region 5, has delegated her information gathering authority to the Director pursuant to EPA Region 5 Delegation of Authority, Chapter 7-8.

4. Section 110 of the Act, 42 U.S.C. 7410, requires each state to adopt and submit to U.S. EPA for approval a State Implementation Plan (SIP) that provides for the implementation, maintenance, and enforcement of the National Ambient Air Quality Standards (NAAQS). Under Section 110(a) (2) of the Act, 42 U.S.C. 7410(a) (2), each SIP must include a permit program to regulate the modification and construction of any stationary source of air pollution as necessary to assure that NAAQS are achieved.

Pursuant to Section 113(a) and (b) of the Act, 42 U.S.C. 7413(a) and (b), upon U.S. EPA approval, SIP requirements are federally enforceable under Section 113.

See also 40 C.F.R. 52.23.

5. The Illinois SIP was approved by U.S. EPA on May 31, 1972. 37 Fed. Reg. 10862 (1972).

6. ICPB Rule 103(a) (1) provides that no person shall cause or allow the construction of any new emission source or any new air pollution control equipment, or cause or allow the modification of any existing emission source or air pollution control equipment, without first obtaining a construction permit from the Illinois Environmental

Protection Agency (IEPA). IPCB Rule 103(a) (1) was recodified at 35 Illinois Administrative Code (IAC) § 201.142. on June 29, 2007.

II. Findings

7. Lakeside Lithography, LLC, owns and operates two metal coating lines at its facility at 1600 South Laflin Street, Chicago, Illinois (Facility). Lakeside Lithography, LLC is a Limited Liability Company organized and doing business in Illinois.

8. On March 1, 2007, Lakeside Lithography, LLC (Lakeside) acquired the facility from Darco Metal Litho Co. (Darco).

9. Lakeside requested the transfer of all permits in the Name and Ownership Change Information Form Number IL 532-2834, APC 620.

10. The transferred permits include Construction Permit No. 98080080 (construction permit), originally issued to Darco on November 23, 1998, for the construction of two coating lines.

11. Lakeside Lithography currently operates its two coating lines under a “Revised” Lifetime Operating Permit Application No. 75030088 (operating permit), which was issued by the IEPA on May 29, 2007.

12. Special condition 2 of the construction permit requires, among other things, an overall control efficiency of at least 90 percent for volatile organic materials (VOM). The overall control efficiency is based on a capture efficiency of 100 percent and destruction efficiency greater than 90 percent.

13. On June 5, 2008, EPA conducted an inspection at Lakeside’s facility.

14. The inspection found that the facility contains two coating lines, each producing volatile organic materials (VOMs) that are vented to each line's thermal oxidizer control devices (the catalytic afterburner) to be destroyed.

15. During the actual coating process, each line uses a permanent total enclosure system (TES) to ensure that no VOMs escape the line before they are vented to the catalytic afterburners.

16. Lakeside's TES has access doors and a large garage door that may be opened when the coating line is not operating.

17. U.S. EPA's criteria for a permanent TES require that the total area of all natural draft openings (including access doors and windows) shall not exceed five percent of the surface area of the enclosure's floor, ceiling and walls. 40 C.F.R. Part 51, Appendix M, Method 204.

18. When the garage door is open at the facility, its total area of natural draft opening exceeds five percent of the surface area of the permanent TES.

19. On July 8, 2009, EPA sent a request for information (information request) pursuant to Section 114(a) of the Act, which required Lakeside Lithography to conduct VOM destruction efficiency tests for each of the two coating line afterburners.

20. On August 5, 2009, Lakeside conducted preliminary VOC destruction efficiency testing on each afterburner.

21. Lakeside did not conduct the August 5, 2009 tests pursuant to the test methods prescribed in the U.S. EPA information request.

22. The results showed a destruction efficiency of 73 percent for the Line 1 Oxidizer (bead catalyst), and 78 percent for the Line 2 Oxidizer (solid catalyst). The

results were below the 90 percent overall control efficiency level required by Lakeside's permits.

23. On September 18, 2009, Lakeside stipulated, based upon the results of the August 5, 2009, testing that, "had testing been completed in accordance with the Section 114 requested test methods, the results would have shown that the oxidizers would not have achieved 90% reduction."

III. Compliance Program and Agreement

24. Lakeside must comply with the requirements of the facility's November 23, 1998 construction permit (Permit Number 98080080) that overall control efficiency on each coating line is at least 90 percent. To demonstrate this compliance, Lakeside must take the following actions by the dates specified and maintain compliance with paragraphs 25 through 29, below, for two years after the effective date of this Order.

25. As part of Lakeside's agreed compliance steps, Lakeside shall:

(a) place orders for a new catalyst for Line 2, and order a new heat exchanger for that line on or before September 30, 2010. The manufacturer of the new catalyst and heat exchanger will be requested to provide a warranty of VOM reduction performance. The purchase order shall stipulate delivery within 90 days of acceptance of the purchase order. Notification of issuance of the order shall be provided to EPA by Lakeside.

(b) install and have Line 2 fully operational with a new catalyst and heat exchanger within 21 days of delivery.

(c) provide notice to EPA of stack testing on or before February 28, 2011; such testing shall be performed within 60 days of the notice by using EPA Method 18.25 or

25A for VOM simultaneously at the inlet and outlet of each control device of Coating Lines 1 and 2, to determine destruction efficiency.

26. Within 45 days of testing Lakeside shall submit a complete report of the emissions testing on its coating line units to the EPA. The test report must include, but is not limited to, production and process data during the test, complete results with example calculations and raw field data.

27. Lakeside shall maintain a daily log of the operating time for the capture system, control device, monitoring equipment, and associated coating line. By September 1, 2010, the capture system shall include a lock out device that ensures that the applicable coating line is not coating product when the garage door is open.

28. Beginning on September 1, 2011 (for the 12 months ending August 31, 2011), and again on September 1, 2012 (for the twelve months ending August 31, 2012), Lakeside Lithography must submit annual reports to the EPA certifying that the garage door is closed at all times when the applicable coating line is coating product. Each annual report must include the following certification language that is signed by a responsible official for the company:

"Based on my inquiry of those individuals with primary responsibility for obtaining the information, I certify that the statements and information are, to the best of my knowledge and belief true and complete. I am aware that there are significant penalties for knowingly submitting false statements and information, including the possibility of fines or imprisonment pursuant to Section of the Act, and 18 U.S.C. 1001 and 1341."

29. Lakeside must send all reports required by this Order to:

Attention: Compliance Tracker (AE-17J)
Air Enforcement and Compliance Assurance Branch
EPA, Region 5
77 West Jackson
Chicago, Illinois 60604

IV. General Provisions

30. Lakeside agrees to the terms of this Order.

31. Lakeside will not contest the authority of EPA and it to enter into this agreement. Lakeside waives any further opportunity to confer or have a hearing.

32. This Order does not affect Lakeside's responsibility to comply with other federal, state, and local laws. Nothing herein contained or required of Lakeside shall be deemed to restrict Lakeside's ability to apply for amendment of its Operating Permit as Illinois law may require.

33. This Order does not restrict EPA's authority to enforce any violations of the Act.

34. Failure to comply with this Order may subject Lakeside to daily penalties for each violation under Section 113 of the Act, 42 U.S.C. § 7413, and 40 C.F.R. Part 19.

35. Lakeside may assert a claim of business confidentiality under 40 C.F.R. Part 2, Subpart B, for any portion of the information it submits to EPA. Information subject to a business confidentiality claim is available to the public only to the extent allowed by 40 C.F.R. Part 2, Subpart B. If Lakeside fails to assert a business confidentiality claim, EPA may make all submitted information available, without further notice, to any member of the public who requests it. Emission data provided under Section 114 of the Act, 42 U.S.C. § 7414, is not entitled to confidential treatment under 40 C.F.R. Part 2, Subpart B. "Emission data" is defined at 40 C.F.R. § 2.301.

36. This Order is not subject to the Paperwork Reduction Act, 44 U.S.C. §3501 *et seq.*, because it seeks collection of information by an agency from specific individuals or entities as part of an administrative action or investigation. To aid in our electronic record keeping efforts, please provide your response to this Order without staples. Paper clips, binder clips, and 3-ring binders are acceptable.

37. The terms of this Order are binding on Lakeside, its assignees, and successors. Lakeside must give notice of this Order to any successors in interest prior to transferring ownership and must simultaneously verify to EPA that it has given the notice.

38. EPA may use any information submitted under this Order in an administrative, civil, judicial, or criminal action.

39. This Order is effective on the date of signature by the Director. This Order will terminate two years from the effective date, provided that Lakeside has complied with all terms of the Order throughout its duration.

40. Each person signing this Order certifies that he or she has the authority to sign for the party whom he or she represents and to bind that party to its terms.

41. Each party agrees to pay its own costs and attorneys' fees in this action.

42. This Order constitutes the entire agreement between the parties.

AGREED AS STATED ABOVE:

LAKESIDE LITHOGRAPHY, LLC.

By: 

Date: 9-27-10

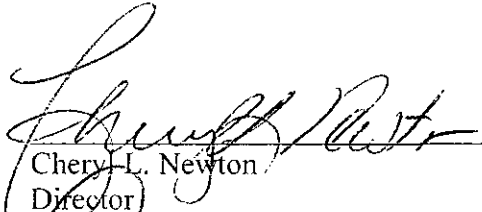
Name: Lee Nadler

Title: President

AGREED AND SO ORDERED:

U.S. ENVIRONMENTAL PROTECTION AGENCY

9/27/10
Date


Cheryl L. Newton
Director
Air and Radiation Division

standard bcc's: official file copy w/ attachment(s)

other bcc's: Luis Ovicdo (C-14J)
Kushal Som (AE-17J)

CERTIFICATE OF MAILING

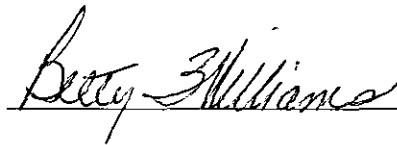
I, Betty Williams, certify that I sent the final Administrative Consent Order, EPA Order No. EPA-5-10-113(a)-IL-02, by Certified Mail, Return Receipt Requested, to:

Lee Nadler
President
Lakeside Lithography, LLC
1600 South Laflin
Chicago, IL 60608

I also certify that I sent a copy of the Administrative Consent Order, EPA Order No. EPA-5-09-113(a)-IL-02, by First Class Mail to:

Ray Pilapil, Manager
Compliance and Systems Management Section
Illinois Environmental Protection Agency
1021 North Grand Avenue East
Springfield, Illinois 62702

on the 30th day of September 2010.



Betty Williams,
Administrative Program Assistant
AECAS, (IL/IN)

CERTIFIED MAIL RECEIPT NUMBER: 7009 1680 0000 7666 5575